

Audit Committee Activity Report FY19

Registered office: 4, Rue du Fort Wallis, L-2714
Luxembourg Grand Duchy of Luxembourg, R.C.S.
B 159.036

eDreams ODIGEO

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According to the Articles of Incorporation, 12.5 and 12.6, the Board of Directors shall establish an audit committee (the "Audit Committee") and a nomination and remuneration committee (the "Remuneration and Nomination Committee") and may establish and delegate part of its powers to one or more other committees, in order to conduct certain tasks and functions expressly delegated to such committee. The committees will examine and report on specific topics chosen by the Board of Directors. Decision-making remains a collective responsibility of the Board of Directors and the committee may only make recommendations to the Board of Directors.

The purpose of the Audit Committee shall in particular be to assist the Board of Directors in fulfilling its oversight responsibilities relating to the integrity of the financial statements, including periodically reporting to the Board of Directors on its activities and the adequacy and the effectiveness of the Internal Control systems, the risk Management system and the internal audit systems; and to make recommendations for the appointment, compensation, retention and oversight of, and consider the independence of, the external auditors and perform such other duties imposed by applicable laws and regulations of the regulated market or markets on which the Shares may be listed, as well as any other duties entrusted to the committee by the Board of Directors.

1. Roles and Responsibilities

According to the Articles of Association 12.6 and 12.7, the Company Internal Rules of Procedure of the Board of Directors, articles 10.2 to 10.6, and the Audit Committee Terms of Reference, the role of the Audit Committee is:

- **With respect to Internal Audit:**
 - a) Ensure the independence and efficacy of the Internal Audit function.
 - b) Approve decisions regarding the appointment and removal of the Head of Internal Audit.
 - c) Approve the Internal Audit annual plan.
 - d) Supervise and monitor ODIGEO Group's Internal Audit activity, ensuring that it is primarily focused on risks that are relevant to ODIGEO Group, as well as receive periodic reports of all activities performed by Internal Audit.
 - e) Ensure that Senior Executive Management takes into consideration the conclusions and recommendations contained in Internal Audit Management reports.
 - f) Ensure the Internal Audit Area has sufficient resources and has adequately qualified staff to carry out its duties efficiently.
 - g) Approve the Internal Audit Charter and any subsequent amendments thereto.

- **With respect to Internal Control and Risk Management:**
 - a) Consider the effectiveness of the Company's internal control and risk management systems, including information technology security and controls, to ensure the main risks are identified and analyzed and that they are adequately communicated to whoever the Committee may consider appropriate.
 - b) Review with Management the Company's major financial risk exposures and the steps Management has taken to monitor and control such risk exposures, including the Group Risk Assessment, and internal controls status reports. Verify that Senior Management takes into account the findings and recommendations raised in the Internal Audit reports.
 - c) To establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate, anonymously, potentially significant irregularities within the company that they detect, in particular financial or accounting irregularities

- **With respect to the external auditor:**
 - a) To receive regular information from the external auditor on the audit plan and the results of the implementation thereof and check that Senior Management takes its recommendations into account.

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- b) Provide guidance and make recommendations to the Board of Directors for the appointment, compensation, retention and oversight of, and consider the independence of the external auditors of the ODIGEO Group.
 - c) Monitor the independence of the External Auditor, ensuring adherence to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, all other regulations established to safeguard the independence of the auditors. Monitor the independence of the external auditor, should the Company report a change of auditor to the CNMV as a significant event, accompanied by a statement of any disagreements with the outgoing auditor and the reasons for the same.
 - d) In the event of resignation of the external auditor, the Audit Committee investigates the circumstances that may have given rise thereto.
 - e) On a regular basis meet directly with the external auditors.
- **With respect to preparation of economic and financial information:**
 - a) Oversee the integrity of the financial information that the ODIGEO Group must make public due to its status as a listed company.
 - b) Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
 - c) Evaluate any proposal made by senior officers regarding changes in accounting practices.
 - **With respect to compliance with the legal provisions and internal rules:**

To examine compliance with: the Internal Regulations for Conduct in the Securities Market, with Internal Rules of Procedure and, in general, with the rules are of good corporate governance of the company and make any appropriate proposals for improvement.
 - **With respect to Business Conduct:**

Review the procedures established by Management for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or audit matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

2. Composition:

The Audit Committee shall be composed of at least three (3) members initially comprised of (i) one (1) Director nominated for appointment to the Board of Directors by the Luxgoal 3 Group or Ardian Group, as the case may be and (ii) two (2) independent Directors. The members of the Audit Committee shall be non-executive Directors. The Chair of the Audit Committee shall be selected from among its members and shall be an independent Director. The members of the Audit Committee and, particularly, its Chair shall be appointed taking into account their background knowledge and experience in accounting, auditing and risk management matters.

As of 31st March 2019, the Composition of the Audit Committee is formed by three members, all of whom are members of the Board of Directors, two of them being independent directors. The composition is the following:

Name	Position	Type
Robert Apsey Gray	Chair	Independent Director
Benoît Vauchy	Member	Proprietary Director
Philip Clay Wolf	Member	Independent Director

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Brief résumés of the non-executive independent directors sitting on the Audit Committee are provided in section C.1.3 of the Annual Corporate Governance Report for fiscal year 2019 (available on the eDreams ODIGEO corporate website (<http://www.edreamsodigeo.com/investors/corporate-governance/board-of-directors/>))

3. Activities & Meetings of the Audit Committee during FY19 (1st April, 2018 to 31st March, 2019):

3.1 Meetings held during FY 2019

The Audit Committee, in accordance with its regulations, meets whenever it is convened by the Board of Directors, the Committee itself, or by its Chair. The Committee must hold at least four ordinary meetings per year. During fiscal year 2019 (1st April 2018 to 31st March 2019), the Audit Committee met five times, with only one member delegating his votes by proxy on one of the five meetings.

Depending on the agenda of the Committee, members of the management team and external advisors have also attended these meetings. External auditors are asked to attend the meetings of the Committee at least twice a year.

The Company Secretary keeps Minutes of all Audit Committee meetings, which are available to all members of the Board of Directors.

The main meetings held by the Audit Committee during fiscal year 2019 are summarized below:

Date of Meeting	Members present the meeting	Secretary	Other Attendees
11/06/18	<ul style="list-style-type: none"> Robert Apsey Gray Philip Clay Wolf Benoit Vauchy (by proxy) 	<ul style="list-style-type: none"> Guillaume Teissonniere, General Counsel of eDreams ODIGEO acting as Secretary of the Company 	<ul style="list-style-type: none"> eDreams ODIGEO <ul style="list-style-type: none"> Dana Dunne, CEO David Elizaga, CFO Daniel Francis, Group Director Internal Audit & Control <ul style="list-style-type: none"> Carsten Bernhard (CTO) Bart Nijenhuis (Tax Director)
20/06/18	<ul style="list-style-type: none"> Robert Apsey Gray Philip Clay Wolf Benoit Vauchy 	<ul style="list-style-type: none"> Guillaume Teissonniere, General Counsel of eDreams ODIGEO acting as Secretary of the Company 	<ul style="list-style-type: none"> eDreams ODIGEO <ul style="list-style-type: none"> Dana Dunne, CEO David Elizaga, CFO Amine Saoudi-Hassani, Group Controller Daniel Francis, Group Director Internal Audit & Control External: <ul style="list-style-type: none"> EY Auditores
22/08/18	<ul style="list-style-type: none"> Robert Apsey Gray Philip Clay Wolf Benoit Vauchy 	<ul style="list-style-type: none"> Guillaume Teissonniere, General Counsel of eDreams ODIGEO acting as Secretary of the Company 	<ul style="list-style-type: none"> eDreams ODIGEO <ul style="list-style-type: none"> Dana Dunne, CEO David Elizaga, CFO External: <ul style="list-style-type: none"> EY Auditores
20/11/18	<ul style="list-style-type: none"> Robert Apsey Gray Philip Clay Wolf Benoit Vauchy 	<ul style="list-style-type: none"> David Elizaga, CFO, acting as Secretary of the Company 	<ul style="list-style-type: none"> eDreams ODIGEO <ul style="list-style-type: none"> Dana Dunne, CEO David Elizaga, CFO Daniel Francis, Group Director Internal Audit & Control
20/02/19	<ul style="list-style-type: none"> Robert Apsey Gray Philip Clay Wolf Benoit Vauchy 	<ul style="list-style-type: none"> Guillaume Teissonniere, General Counsel of eDreams ODIGEO acting as Secretary of the Company 	<ul style="list-style-type: none"> eDreams ODIGEO <ul style="list-style-type: none"> Dana Dunne, CEO David Elizaga, CFO Daniel Francis, Group Director Internal Audit & Control

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3.2 Activities carried out

The Audit Committee informs the Board of Directors about its activities in the Board meetings usually held immediately after each Audit Committee meeting. All related documentation is made available to the Directors, through the Directors portal.

The main activities carried out by the Committee during fiscal year 2019 were:

In relation to Internal Audit:

- Approval of the Internal Audit Plan for fiscal year 2019.
- Analysis of the budgets, means and resources of the Internal Audit department.

In relation to Internal Control and Risk Management:

- Review of the Group Risk Assessment.
- Review of the quarterly internal control status reports prepared by the Internal Audit department, detailing the status of all internal control issues, recommendations raised, and corporate governance and compliance issues.
- Review of the main recommendations arising from the Internal Audit reviews carried out during fiscal year 2019.
- Review of the risk updates on Cybersecurity, Information Security and Tax Contingencies.

In relation to the External Auditors:

- Analysis of the Auditor Independence Report issued by the external auditor EY Auditores, S.L for fiscal year 2018
- Analysis of the report on the management recommendations and quality of overall control and reporting environment issued by the external auditor EY Auditores, S.L. for fiscal year 2018
- Review of the External Audit Plan for the fiscal year 2019 prepared by EY Auditores, S.L.
- Review of auditor's opinion on limited review performed during FY18 in which EY Auditores, S.L provide audit assurance on specific finance procedures.
- Review of auditor's presentation on potential IFRS impacts for FY 2019.
- Implementation of formal process to review and approve Non Audit Services (as per EU NAS regulation) and approval of delegation by Audit Committee to AC Chair for amounts up to 35% of average statutory audit fees for the last 3 years)
- Approval of the EY Auditores S.L engagement to perform audit review for ATOL licenses purposes.

In relation to economic and financial information:

- Review of the individual and consolidated financial statements for fiscal year 2018, and of the annual audit report prepared by the external auditor, Ernst & Young, prior to being sent to the Board of Directors.
- Review of annual and quarterly financial information for investors and the market supervisory bodies (Luxembourg Commission de Surveillance du Secteur Financier (CSSF) and to the Spanish National Stock Market Commission (CNMV)).
- Review of Investor Presentation, reforecasts, guidance, and Press Release: Integrity and coherence of FFSS, and the communication strategy.

Regarding compliance with the legal provisions and internal rules, and corporate governance:

- Analysis of the status and follow-up of the Company's corporate policies.
- Analysis of the recommendations of the Code for Good Corporate Governance of Listed Companies affecting the Audit Committee.
- Review of the company's Annual Corporate Governance Report for the fiscal year 2018.
- Review other Corporate Documents such as Corporate Social Responsibility Statement.
- Preparation and presentation to the Board of the Annual Report on the Audit Committee activities for the financial year ended 31 March 2018.
- Review of the implementation of the Group Compliance Program launched by Internal Audit in coordination with the Legal and the HR Department.

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- Update on the online Compliance training completion (key areas of training, related Group Policies and % of completion)
- Review of the update provided by General Counsel, of the major legislative developments impacting the Company (GDPR, PTD and PSD2)
- Review of tax contingencies which exist at the level of eDreams ODIGEO. Presentation given by Group Tax Officer.

Regarding Business Conduct:

- Periodic update on issues relating to the Business Code of Conduct and Compliance Committee.

Other Activities:

- None

This Annual Report of the Audit Committee of eDreams ODIGEO for the fiscal year 2019, has been approved by the Committee at its meeting held on 14th June 2019 and by the Board of Directors at its meeting held on June 19th 2019.

Luxembourg, June 2019
